

Assembly Bill No. 547

CHAPTER 345

An act to add and repeal Sections 66025.6 and 69433.4 to, and to add and repeal Article 12.5 (commencing with Section 69750) of Chapter 2 of Part 42 of, the Education Code, and to add and repeal Section 981.8 of, the Military and Veterans Code, relating to postsecondary education.

[Approved by Governor September 11, 2003. Filed
with Secretary of State September 12, 2003.]

LEGISLATIVE COUNSEL'S DIGEST

AB 547, Liu. Postsecondary education: National Guard, State Military Reserve, and Naval Militia.

(1) Existing law prohibits campuses of the University of California, the California State University, or the California Community Colleges from charging any tuition or fees to certain dependents or survivors of veterans, including any child of any veteran of the United States military who has a service-connected disability, has been killed in service, or has died of a service-connected disability, where the annual income of the child, including the value of any support received from a parent, does not exceed the national poverty level, as defined.

This bill would, until January 1, 2007, grant to qualifying members of the National Guard, the State Military Reserve, and the Naval Militia an entitlement to academic leave when active duty, as defined, interrupts college attendance for the purpose of pursuing an undergraduate degree.

(2) Existing law, known as the Ortiz-Pacheco-Poochigian-Vasconcellos Cal Grant Act, establishes the Cal Grant A and B entitlement awards, the California Community College Transfer Entitlement awards, the Competitive Cal Grant A and B awards, the Cal Grant C awards, and the Cal Grant T awards under the administration of the Student Aid Commission, and establishes eligibility requirements for awards under these programs for participating students attending qualifying institutions.

This bill would require, until January 1, 2007, that a recipient of a Cal Grant award who is a member of the National Guard, the State Military Reserve, or the Naval Militia on active duty, as defined, who is obliged to withdraw from his or her studies because of that active duty, and who later resumes those studies no later than one year after completing that active duty, does not forfeit either any of the monetary value of the Cal Grant award or any of his or her period of eligibility for that award.

(3) Existing law establishes an Assumption Program of Loans for Education, under which an applicant enrolled in a participating institution of postsecondary education, or an applicant who agrees to participate in a teacher trainee or teacher internship program, and who further agrees to obtain a teaching credential in a subject area that is designated as a current or projected shortage area or to provide classroom instruction in a school that serves a large population of pupils from low-income families, is eligible to enter into an agreement for loan assumption, to be paid by the Student Aid Commission upon becoming employed as a teacher.

This bill would establish, commencing with the 2004–05 fiscal year, and ending with the 2006–07 fiscal year, a similar loan assumption program, to be known as the National Guard Assumption Program of Loans for Education, for qualifying members of the National Guard, the State Military Reserve, or the Naval Militia as defined, who seek, or who have completed, baccalaureate degrees at institutions of higher education within this state, who receive a loan under a designated loan program, and who complete a certain period of service as a qualifying member.

(4) Existing law establishes the Office of the Adjutant General. Among other things, the office administers the California National Guard.

The bill would, until January 1, 2007, request the Office of the Adjutant General to make copies of the enrollment fee waiver application of the Board of Governors of the California Community Colleges and the Free Application for Federal Student Aid (FAFSA) available to each member of the California National Guard, the State Military Reserve, and the Naval Militia who does not have a baccalaureate degree. The bill would also request the Office of the Adjutant General to assist these persons in completing these forms, as needed.

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares all of the following:

(a) The California National Guard, the State Military Reserve, and the Naval Militia provide military organization in California, with the capacity to protect the lives and property of the people of the state during periods of natural disaster and civil disturbance, and to provide homeland security.

(b) The California National Guard, the State Military Reserve, and the Naval Militia perform other functions required by the California Military and Veterans Code or as directed by the Governor.



(c) The California National Guard, the State Military Reserve, and the Naval Militia serve the essential public purpose of protecting the health, safety, and property of California's citizens.

(d) Postsecondary education benefit incentive programs have been highly successful in providing enlistment and retention inducements for maintaining and strengthening national guard and reserve programs in other states.

(e) It is the intent of the Legislature to further the public purposes served by the California National Guard, the State Military Reserve, and the Naval Militia by providing enlistment and retention inducements by making postsecondary education benefits available to members serving the state faithfully for a period of at least one year.

SEC. 2. Section 66025.6 is added to the Education Code, to read:

66025.6. (a) As used in this section, the following terms have the following meanings:

(1) "Active duty" means either of the following:

(A) Active federal service or full-time national guard duty on behalf of the United States of America either voluntarily, or when involuntarily ordered to duty by appropriate authorities under Title 10 or Title 32 of the United States Code during a period of armed conflict, mobilization, contingency operations, or other crisis.

(B) (i) Active military duty in the service of the state when the Governor has issued a proclamation of a state of insurrection pursuant to Section 143 of the Military and Veterans Code or a proclamation of a state of emergency; or

(ii) When the National Guard is on active duty pursuant to Section 146 of the Military and Veterans Code, or is called to active service or duty under Chapter 7.5 (commencing with Section 400) of Part 1 of Division 2 of the Military and Veterans Code, and a certificate of satisfactory service, or an equivalent thereof, is issued by the Military Department.

(2) "Qualifying member" means a person who:

(A) Is a resident, as defined in Section 68017.

(B) Is currently an active member of, and has satisfactorily served for at least one year in, the California National Guard, the State Military Reserve, or the Naval Militia, and maintains satisfactory service throughout the period that tuition and fees are waived pursuant to this section.

(C) Is currently enrolled, and in good standing, in an undergraduate program of instruction, or has been admitted to a program in which he or she will be enrolled, on at least a half-time basis, at a campus of the University of California, the California State University, or the California Community Colleges.

(b) (1) Any qualifying member who undertakes active duty is entitled to an academic leave of absence for any academic session that the qualifying member is unable to attend or complete because he or she is on active duty.

(2) A qualifying member who takes an academic leave of absence during an academic session pursuant to this subdivision may have his or her transcripts cleared for that academic term.

(3) The graduation requirements for a qualifying member who, within one year of returning from active duty, resumes his or her studies at the same postsecondary educational institution shall be the same as the graduation requirements at the time the qualifying member initially enrolled.

(c) The Military Department shall determine whether an individual meets the requirements of “active duty” and “qualifying member,” as they are set forth in subdivision (a). The department shall issue a certificate to individuals who meet those requirements.

(d) This section shall remain in effect only until January 1, 2007, and as of that date is repealed, unless a later enacted statute that is enacted before January 1, 2007, deletes or extends that date.

SEC. 3. Section 69433.4 is added to the Education Code, to read:

69433.4. (a) Notwithstanding any other provision of law, a recipient of a Cal Grant award who is a member of the National Guard, the State Military Reserve, or the Naval Militia on active duty within the meaning of Section 66025.6, who is obliged to withdraw from his or her studies because of that active duty, and who later resumes those studies no later than one year after completing that active duty, does not forfeit either any of the monetary value of the Cal Grant award or any of his or her period of eligibility for that award.

(b) This section shall remain in effect only until January 1, 2007, and as of that date is repealed, unless a later enacted statute that is enacted before January 1, 2007, deletes or extends that date.

SEC. 4. Article 12.5 (commencing with Section 69750) is added to Chapter 2 of Part 42 of the Education Code, to read:

Article 12.5. National Guard Assumption Program of Loans for
Education

69750. Commencing with the 2004–05 fiscal year, the National Guard Assumption Program of Loans for Education is established for qualifying members of the National Guard, the State Military Reserve, or the Naval Militia within the meaning of Section 66025.6 who seek, or who have completed, baccalaureate degrees at institutions of higher education within this state.



69750.3. (a) Any qualifying member of the National Guard, the State Military Reserve, or the Naval Militia enrolled in an institution of higher education participating in the loan assumption program set forth in this article is eligible to enter into an agreement for loan assumption, to be redeemed pursuant to Section 69750.5. In order to be eligible to enter into a loan assumption agreement, an applicant shall satisfy both of the conditions specified in subdivision (b).

(b) (1) The applicant is currently enrolled in, or has been admitted to, a program in which he or she will be enrolled in at least 10 semester units or the equivalent. The applicant shall agree to maintain not less than 10 semester units per semester, or the equivalent, and to maintain satisfactory academic progress.

(2) In order to meet the costs associated with obtaining a baccalaureate degree, the applicant has received, or is approved to receive, a loan under one or more the following designated loan programs:

(A) The Federal Family Education Loan Program (20 U.S.C. Sec. 1071 et seq.).

(B) Any loan program approved by the Student Aid Commission.

(c) A person participating in the program pursuant to this article shall not be eligible to enter into more than one agreement under this article.

69750.5. The Student Aid Commission shall commence loan assumption payments, as required by Section 69750.7, upon verification that the applicant has met the requirements of the loan assumption agreement and all other conditions of this article.

69750.7. The terms of the loan assumption agreements granted under this article shall be as follows, subject to the specific terms of each warrant:

(a) After a program participant has completed one year of additional service as a qualifying member within the meaning of Section 66025.6, the Student Aid Commission shall assume up to two thousand dollars (\$2,000) of the participant's outstanding liability under one or more of the designated loan programs.

(b) After a program participant has completed two consecutive years of additional service as a qualifying member within the meaning of Section 66025.6, the commission shall assume up to an additional three thousand dollars (\$3,000) of the participant's outstanding liability under one or more of the designated loan programs, for a total loan assumption of up to five thousand dollars (\$5,000).

(c) After a program participant has competed three consecutive years of additional service as a qualifying member within the meaning of Section 66025.6, the commission shall assume up to a maximum of an additional three thousand dollars (\$3,000) of the participant's

outstanding liability under one or more of the designated loan programs, for a total loan assumption of up to eight thousand dollars (\$8,000).

(d) After a program participant has completed four consecutive years of additional service as a qualifying member within the meaning of Section 66025.6, the commission shall assume up to a maximum of an additional three thousand dollars (\$3,000) of the participant's outstanding liability under one or more of the designated loan programs, for a total loan assumption of up to eleven thousand dollars (\$11,000).

69751. (a) The Student Aid Commission shall administer this article, and shall adopt rules and regulations for that purpose. The rules and regulations shall include, but need not be limited to, provisions regarding the period of time for which a loan assumption agreement shall remain valid, the reallocation of funds that are not utilized, and the development of projections for funding purposes. The commission shall solicit the advice of representatives from postsecondary education institutions regarding the proposed rules and regulations.

(b) The Student Aid Commission shall work in conjunction with lenders participating in federal loan programs to develop a streamlined application process for participation in the program set forth in this article.

69751.3. On or before July 1, 2006, the Office of the Adjutant General shall submit a report to the Legislature on the effectiveness of the National Guard Assumption Program of Loans for Education established by this article.

69751.5. This article shall become inoperative on July 1, 2007, and, as of January 1, 2008, is repealed, unless a later enacted statute that is enacted before January 1, 2008, deletes or extends the date on which it becomes inoperative and is repealed.

SEC. 5. Section 981.8 is added to the Military and Veterans Code, to read:

981.8. (a) The Office of the Adjutant General is requested to annually make both of the following available to each member of the California National Guard, the State Military Reserve, and the Naval Militia who does not have a baccalaureate degree:

(1) A copy of the enrollment fee waiver application of the Board of Governors of the California Community Colleges.

(2) A copy of the Free Application for Federal Student Aid (FAFSA).

(b) The Office of the Adjutant General is requested to provide assistance as necessary to help the members complete the forms made available to them under subdivision (a).



(c) This section shall remain in effect only until January 1, 2007, and as of that date is repealed, unless a later enacted statute that is enacted before January 1, 2007, deletes or extends that date.

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